

ASX ANNOUNCEMENT

6 FEBRUARY 2023

PITTONG PLANT UPGRADE COMPLETED WITH NAME PLATE CAPACITY VALIDATED

HIGHLIGHTS

- Pittong plant upgrade and optimisation successfully completed
- Pittong processing plant commissioned on budget and ahead of schedule
- Nameplate capacity validated with plant producing 1,004 tonnes over the last 6 days, representing a 245% uplift in production
- Offtake discussions with new and existing customers to match the increase in production capacity are well advanced

Suvo Strategic Minerals Limited (ASX: SUV) (“Suvo” or “the Company”) is pleased to announce that it has successfully completed the Pittong processing plant upgrade and optimisation project.

Nameplate capacity validated across 6-day period

As announced on 26 August 2022, the Company concluded a plant upgrade and optimisation review for the Pittong hydrous kaolin plant. This independent review confirmed the name plate processing capacity of the Pittong plant to be ~60,000 tonnes per annum under certain operating conditions.

Over the past 6 days, the Pittong plant has been operated continuously, and produced in total, 1,004 tonnes of hydrous kaolin. This represents a 245% uplift in production compared to average weekly production rates achieved in calendar year 2022 of 410 tonnes.

Henk Ludik
EXECUTIVE CHAIRMAN

Aaron Banks
EXECUTIVE DIRECTOR

Oliver Barnes
NON-EXECUTIVE DIRECTOR

Dr Ian Wilson
NON-EXECUTIVE DIRECTOR

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ASX: SUV

This result validates Pittong's ability to produce ~50,000 tonnes per annum (based on 83% utilisation) of hydrous kaolin. Production of kaolin at Pittong will increase incrementally in line with sales orders.

The Company continues to work on near term opportunities and commercial product trials to finalise offtakes for the additional hydrous kaolin volumes.

As announced on 1 December 2022, the Company appointed Mr Julian Anthony as Marketing and Logistics Manager. Mr Anthony is an experienced sales executive with a proven track record of delivering substantial growth in sales, having previously worked at GMA Garnet Pty Ltd.

Mr Anthony is meeting with new and existing international customers over the coming weeks and is utilising his extensive network to promote Pittong's additional production capacity.

The Company looks forward to updating the market in the near term as sales orders are received and offtake contracts are executed.

Executive Chairman Henk Ludik commented:

"The successful commissioning of the Pittong processing facility is a major milestone for the Company. The management and operations team at Pittong have done a tremendous job to deliver the upgrade and optimisation project on budget and ahead of schedule, with the previous anticipated completion date being the end of Q1 2023.

This increase in production capacity allows Suvo to more than double production at its flagship Pittong operating kaolin plant. Assuming a full sales order book, the Company will be able to reduce its operating costs and generate a 4x uplift in forecast EBITDA.

"Pittong is the only producer of hydrous kaolin in Australia. This gives Suvo great confidence in unlocking value from traditional and new emerging kaolin markets."

Approved for release by the Board

–ENDS–

For further information, please contact

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Company Profile

Suvo Strategic Minerals Limited is an Australian hydrous kaolin producer and exploration company listed on the Australian Securities Exchange (ASX:SUV). Suvo is focused on production at, and expansion of, their 100% owned Pittong hydrous kaolin operation located 40km west of Ballarat in Victoria. Suvo's exploration focus is on near-term kaolin and high purity silica assets with 100% owned Gabbin (kaolin), Eneabba and Muchea (silica sands) projects located in Western Australia.

Pittong Operations

The 100% owned Pittong Operations, located in Victoria 40km west of Ballarat, is the sole wet kaolin mine and processing plant in Australia and has been in operation since 1972. Pittong comprises the Pittong, Trawalla and Lal Lal deposits located on approved Mining Licences MIN5408, MIN5365 and MIN5409 respectively.

At Pittong mining contractors deliver crude kaolin ore to stockpiles from the two currently operating mines, Pittong and Lal Lal. The plant takes its feedstock from the ROM and it is processed into four separate product forms for end users. These product forms are 10% moisture lump, high solids slurry, 1% moisture powder and 1% moisture pulverised powder. The solids slurry is used in paper and board manufacturing. The other products are used in paper, coatings, paint and specialist industries including rubber and pharmaceutical applications. Around 20–25kt per annum is supplied to various end users.

Gabbin Kaolin Project

The 100% owned Gabbin Kaolin Project (White Cloud) is located 215km northeast of Perth, Western Australia. The project area comprises four granted exploration licences (E70/5039, E70/5332, E70/5333, E70/5517) for 413km², centred around the town and rail siding of Gabbin. The generally flat area is primarily cleared farming land devoid of native bushland and is currently used for broad-acre cereal cropping. A mining access agreement is in place over the current resource area with the landowner and occupier.

The main rock types at Gabbin are primarily Archaean granite, gneiss, and migmatite. These rocks are overlain and obscured by Tertiary sand and Quaternary sheetwash. The weathering profile is very deep and contains thick kaolin horizons capped by mottled clays or laterite zones.

Eneabba Silica Sands Project

The 100% owned Eneabba Silica Sands Project is located 300km north of Perth, Western Australia. The project comprises four granted exploration licences (E70/5001, E70/5322, E70/5323, E70/5324) for 169km². The project is located on the Eneabba Plain whose sandy cover is very flat to gently undulating. Outcrop is rare due to the accumulations of windblown and alluvial sand at surface. Below this is a thin hard silcrete or lateritic claypan which overlies deep white and yellow sands. Preliminary exploration has included 54 drillholes for 1,620 metres to depths of up to 30m. This program is anticipated to deliver an initial resource for the project and a process route.